shareholders fund at Rs.10.00 crores and Rs.30.00 crores for operators of aircraft of all-up-weight below 40,000 kgs. and above 40,000 kgs., respectively. Detailed requirements for grant of permit to start new airlines for operating scheduled domestic air transport services have been issued by the Director General of Civil Aviation *vide* Civil Aviation Requirement, Section 3, Air Transport Series 'C' Part II dated 10th December, 1999.

Opening of office by M/s Mekaster Group abroad

*548. SHRI ANANTRAY DEVSHANKER DAVE: Will the Minister of FINANCE be pleased to state:

(a) whether it is necessary to obtain the permission of Reserve Bank of India under Foreign Exchange Regulation Act (FERA) before opening of offices abroad by Indian companies;

(b) if so, whether M/s. Mekaster Group, Ansal Bhavan, New Delhi, have opened their overseas office at San Diego, 92124, California (USA) without the approval of appropriate authorities; and

(c) if so, the details thereof and action taken against the Mekaster Group for violating laws?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) No Sir. Foreign Exchange Regulation Act, 1973 (FERA) has been repealed and replaced by the Foreign Exchange Management Act 1999 (FEMA) since 1st June, 2000. Under the repealed FERA, authorized dealers were delegated power to permit opening of overseas offices abroad by Indian companies/exporters in terms of provisions contained in Chapter 9B 1 of Exchange Control Manual 1993. Only cases which did not meet this criteria, were required to obtain prior permission from the Reserve Bank of India.

(b) While Reserve Bank of India has not granted any approval to M/s Mekaster Group, Ansal Bhavan, New Delhi, for opening of overseas office at San Diego, California, USA, factual position in this regard is being ascertained from the Indian Embassy, Washington.

(c) Does not arise.